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August 2, 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Via Hand Delivery

Marlene H. Dortch, Secretary
Federal Communications Commission
The Portals
445 - 12th Street, SW
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation by Broadview Networks
CC Docket Nos. 01-338, 96-98 and 98-147

Dear Ms. Dortch:

Pursuant to Sections 1.1206(b)(1) and (2) of the Commission's Rules we hereby submit, on behalf of Broadview Networks, Inc. ("Broadview"), in the above-captioned docketed proceedings, this notice of oral ex parte presentations made on August 1, 2002 to Chris Libertelli, Legal Assistant to Chairman Powell, Matthew Brill, Legal Assistant to Commissioner Abernathy, Jordan Goldstein, Legal Assistant to Commissioner Copps, and Daniel Gonzalez Legal Assistant to Commissioner Martin. The presentation was made by myself, Rebecca Sommi, Vice President - Operations Support for Broadview Networks, Inc., Lisa Korner-Butler, Vice President - Regulatory & Industry Relations for Broadview Net Plus, and Brad Mutschelknaus, Partner, Kelley Drye & Warren LLP. A set of talking points was distributed during the meeting; a copy is attached to this notice.

Pursuant to Sections 1.1206(b)(1) and (2) of the Commission's Rules, we submit an original and one (1) copy of this oral ex parte notification and attached talking points for inclusion in the public record of the above-referenced proceedings. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Heather Burnett Gold
Principal
The KDW Group LLC

Encl:

cc: Chris Libertelli
Matthew Brill
Jordan Goldstein
Daniel Gonzalez



Broadview
Networks

**Bringing Competitive Choice to
Residential and Business Customers**



Company Highlights

- Began in 1996 and has grown exponentially both organically and through acquisition
- First electronically-integrated communications provider
- Proven management team
- Scalable into new products and geographies



Company Overview

Geographic focus: Verizon markets

Customer focus: Residential & Small/Medium businesses

Products and services: Bundles of voice and data

Financial: Fully Funded Business Plan

Operational statistics (6/30/02)

Lines:	174,000+	Active Colos:	121
Markets:	9	Employees:	661



Geographic Coverage





Broadview's Competitive Strategy

- In order to win customers from the ILEC Broadview must:
 - Supply feature-rich bundles of services for both voice and data
 - Provision customers in a timely and predictable fashion
 - Minimize service interruption
- Broadview understands that customers and revenues must proceed facilities investment if long term growth is to be sustainable



Managing the Transition to Facilities-Based Competition

- Broadview concentrates first by acquiring customers in a specific geography via UNE-P. UNE-P has permitted Broadview Networks to function as a true competitor to the ILEC in terms of:
 - Variety of product offerings
 - Speed of provisioning and service availability
 - Ubiquitous footprint
- Once customer densities have been achieved, Broadview leases interoffice transport and places equipment in ILEC central offices.
- Broadview's UNE-L "Hot-cut" process enables the efficient migration of customers to Broadview's network.



Importance of UNE Switching

- Fosters competition to the mass market customer
- Enables the build out of facilities, encouraging investment
- Three scenarios in which Broadview depends on UNE switching
 - Market Entry
 - Migration to UNE-L
 - Ubiquity

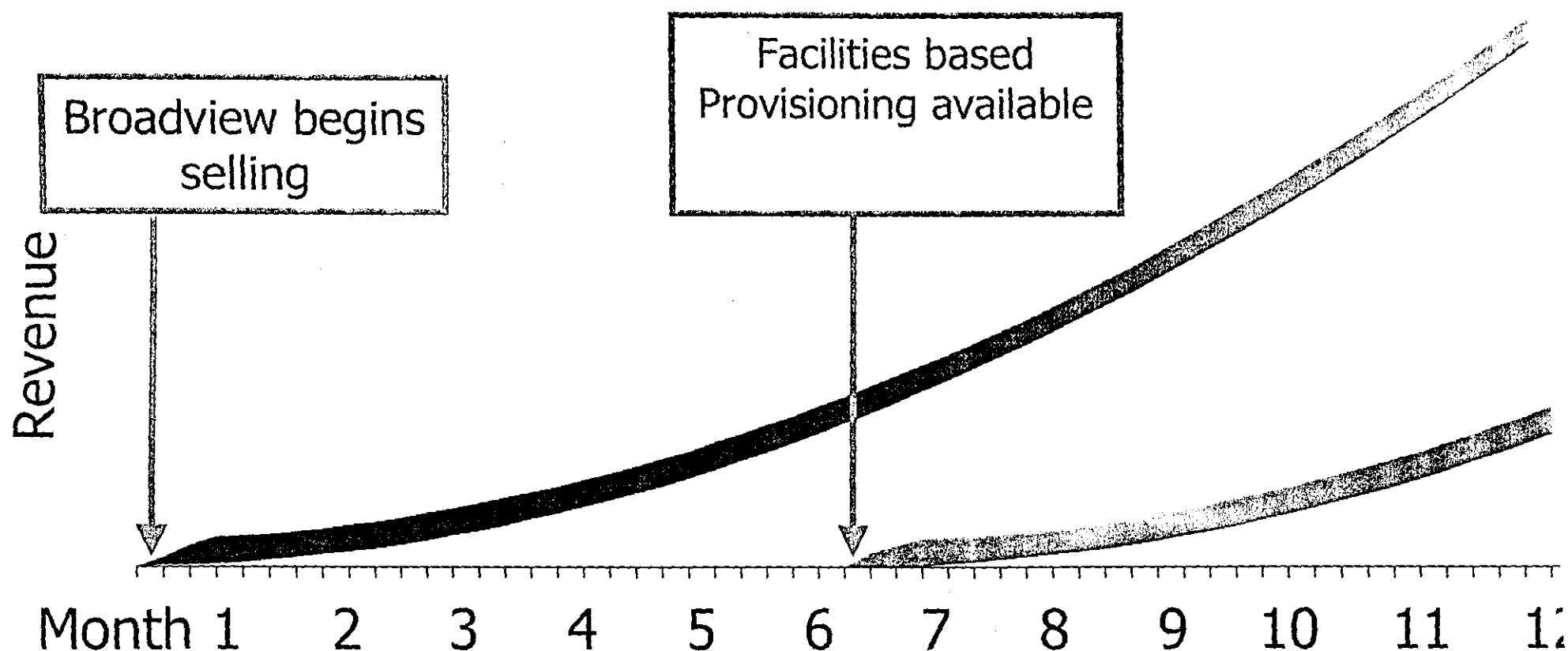


Market Entry

- **Broadview has successfully built a model that utilizes UNE-P as a market entry strategy and then migrates customers to its own facilities using UNE-L.**
- Zero Time to Market: Customer acquisition & provisioning is immediate, 1 Day.
- Speed to Revenue: Immediate revenue to enable the network build
- Product Flexibility: Features/Usage Allowances



Zero Time to Market



**Apply
for space**

**Accept/
Build/
Install/
Test**

**Colocation
operational**



Migration to UNE-L

- Once customer densities have been achieved, Broadview leases interoffice transport and places equipment in ILEC central offices.
- Broadview's UNE-P to UNE-L provisioning process enables the efficient migration of customers to Broadview's network
 - Densities in specific colocations allows Broadview to use a project process with Verizon vs. the traditional hot cut process
- Customer's risk of service loss is mitigated

UNE-P Permits Ubiquity

- Not all lines can be provisioned on UNE-L
 - Digital Loop Carrier/No Copper available
- UNE-P allows Broadview to serve multi-location customers, where colocation is not justified based on customer densities
- Without this option, these customers would have no competitive choice



Why UNE-P Promotes Facilities-Based Competition

- There are no alternatives to UNE switching
 - Limited wholesale options
- Market Entry
 - Obtaining customer concentrations
 - Product flexibility
- Migration
 - Improved margins using BNI facilities
- Ubiquity
 - Serving multi-location customers
 - No facilities



Broadview
Networks

Unbundled IOF is Crucial

- IOF is critical to Broadview's facilities-based network
- IOF is only ubiquitously available from the ILEC
- **Broadview has only been able to order alternate facilities 20% of the time**

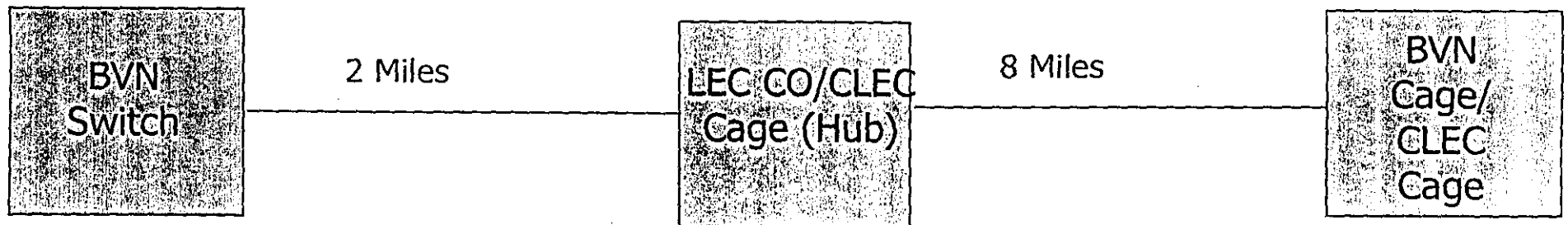
equal IOF availability

- Alternative sources may not be economically viable
 - Revenue commitment to build to Broadview switch
 - "Double" cost of two vendors
- Increased intervals w/multiple vendors
- Lack of Capacity
 - Traditional CLEC connected buildings vs central offices
- Distance Limitations on Cross-Connects
 - Distance between Broadview frame and alternate vendor frame exceeds accepted standards



TOP Alternatives NOT Economically Viable: Costs Doubled

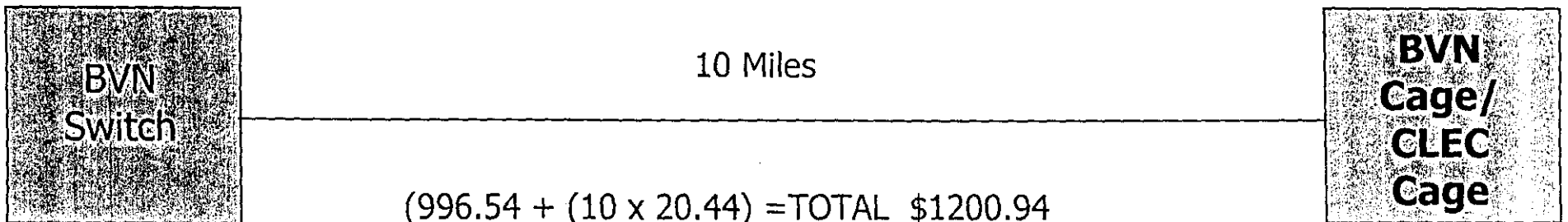
MA UNE Pricing
IOF: \$996.54
Mileage: \$20.44



$$(996.54 + (2 \times 20.44)) = \$1037.42$$

$$(996.54 + (8 \times 20.44)) = \$1160.06$$

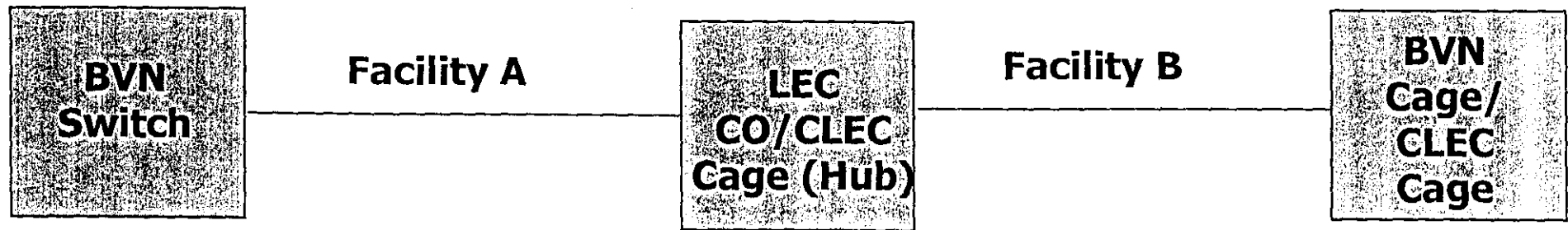
$$\text{TOTAL } \$2197.48$$



$$(996.54 + (10 \times 20.44)) = \text{TOTAL } \$1200.94$$

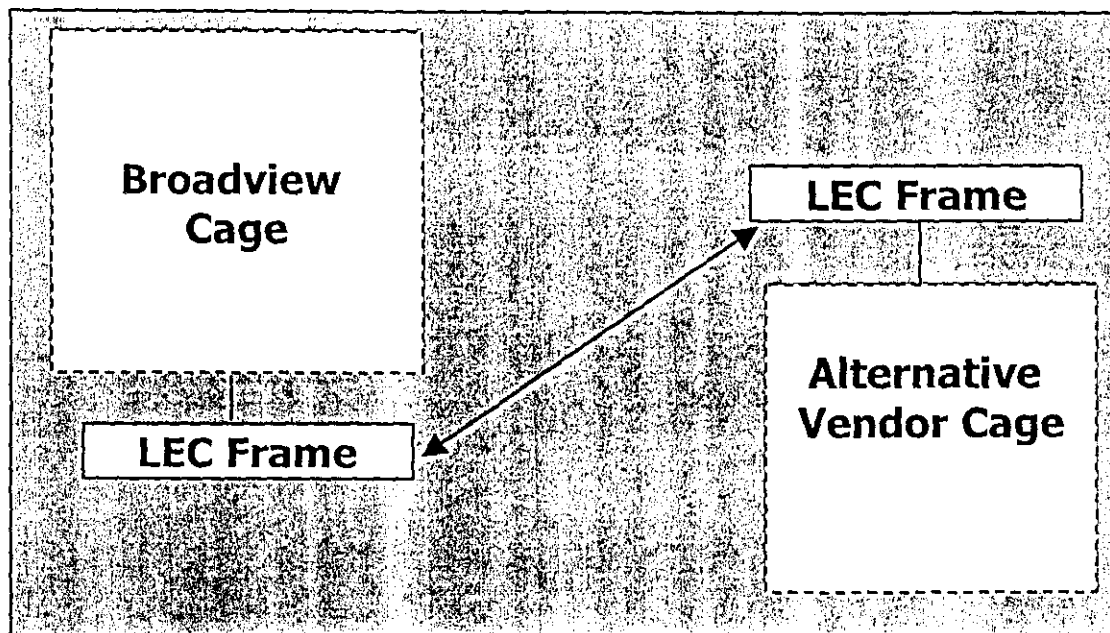
Commitment

\$15,000 to \$50,000 per month



- Facility A must be complete prior to ordering Facility B

LEC C.O.



- Distance between LEC Frames exceeds acceptable standard
- Circuit can not be provisioned

- All modes of entry must be recognized as viable (TSR, UNE-P, UNE-L, Facilities-based).
- Facilities-based competition can only be created and sustained when funded by the acquisition of customers and generating revenues first.
- Interoffice transport is not competitive and must remain available as an UNE.
- **Broadview Networks has created a workable model using UNE-P as an entry mechanism...The FCC must let that model work.**